

B6 Summary (Official Form 6 - Summary) (12/07)

United States Bankruptcy Court
District of Montana

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**

Debtor

Case No. **11-62031**Chapter **11**

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors must also complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

NAME OF SCHEDULE	ATTACHED (YES/NO)	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	Yes	5	101,896,410.84		
B - Personal Property	Yes	5	8,531,182.61		
C - Property Claimed as Exempt	No	0			
D - Creditors Holding Secured Claims	Yes	2		91,490,581.27	
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	4		53,566.86	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	12		40,300,279.76	
G - Executory Contracts and Unexpired Leases	Yes	3			
H - Codebtors	Yes	1			
I - Current Income of Individual Debtor(s)	No	0			N/A
J - Current Expenditures of Individual Debtor(s)	No	0			N/A
Total Number of Sheets of ALL Schedules		32			
Total Assets			110,427,593.45		
Total Liabilities				131,844,427.89	

United States Bankruptcy Court
District of Montana

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**

Debtor

Case No. 11-62031

Chapter 11

STATISTICAL SUMMARY OF CERTAIN LIABILITIES AND RELATED DATA (28 U.S.C. § 159)

If you are an individual debtor whose debts are primarily consumer debts, as defined in § 101(8) of the Bankruptcy Code (11 U.S.C. § 101(8)), filing a case under chapter 7, 11 or 13, you must report all information requested below.

- ☐ Check this box if you are an individual debtor whose debts are NOT primarily consumer debts. You are not required to report any information here.

This information is for statistical purposes only under 28 U.S.C. § 159.

Summarize the following types of liabilities, as reported in the Schedules, and total them.

Type of Liability	Amount
Domestic Support Obligations (from Schedule E)	
Taxes and Certain Other Debts Owed to Governmental Units (from Schedule E)	
Claims for Death or Personal Injury While Debtor Was Intoxicated (from Schedule E) (whether disputed or undisputed)	
Student Loan Obligations (from Schedule F)	
Domestic Support, Separation Agreement, and Divorce Decree Obligations Not Reported on Schedule E	
Obligations to Pension or Profit-Sharing, and Other Similar Obligations (from Schedule F)	
TOTAL	

State the following:

Average Income (from Schedule I, Line 16)	
Average Expenses (from Schedule J, Line 18)	
Current Monthly Income (from Form 22A Line 12; OR, Form 22B Line 11; OR, Form 22C Line 20)	

State the following:

1. Total from Schedule D, "UNSECURED PORTION, IF ANY" column		
2. Total from Schedule E, "AMOUNT ENTITLED TO PRIORITY" column		
3. Total from Schedule E, "AMOUNT NOT ENTITLED TO PRIORITY, IF ANY" column		
4. Total from Schedule F		
5. Total of non-priority unsecured debt (sum of 1, 3, and 4)		

B6A (Official Form 6A) (12/07)

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim." If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption	Amount of Secured Claim
Highwood Generating Station (see attached legal descriptions and easements)	Site of Highwood Generating Station	-	100,766,872.80	85,890,581.27
Cascade County: Approx. 446.63 acres. SE1/4 Less and Except that portion of land conveyed to the State of Montana for highway purposes by Bargain and Sale Deeds recorded April 11, 195 in Volume 242, Page 283 and Volume 242, Page 285, and June 7, 1977 on Reel 165, Document 61. Section 10, Township 20 North, Range 5 East, M.P.M.; Two tracts of land in the SW1/4 of Section 10, Township 20 North, Range 5 East, MPM. Tract 1-Certificate of Survey No. S-0004671 filed April 6, 2010; Tract 2-Certificate of Survey No. S-0004671 filed April 6, 2010. (160 acre parcel purchased less 18.72 acres sold to Northwestern Energy-March 2011); NW1/4 of Section 11, Township 20 North, Range 5 East, P.P.M. Cascade County, Montana; Less Parcel A of Certificate of Survey No. S-0004708 CS, recorded on December 23, 2010, in the office of the Clerk and Recorder of Cascade County, Montana	Substation interconnecting to Highwood; subject to right of first refusal by sellers	-	1,129,538.04	600,000.00

Sub-Total > **101,896,410.84** (Total of this page)Total > **101,896,410.84**

(Report also on Summary of Schedules)

0 continuation sheets attached to the Schedule of Real Property

In Re: Southern Montana Electric Generation and Transmission Cooperative, Inc.

Case No. 11-62031-11

ATTACHMENT TO SCHEDULE A - REAL PROPERTY

Description and Location of Property	Nature of Debtor's Interest in Property	Current Value of Debtor's Interest...	Amount of Secured Claim
<p>197.561 Acres in Cascade County at 369 Salem Road, Great Falls, MT., more particularly described as:</p> <p>Parcel B of Certificate of Survey No. S-0004660, Amended, according to the plat thereof filed on about February 4, 2010 in the office of the Clerk and Recorder of Cascade County, including within such parcel the W ½ SE ¼ of Section 24 and the N ½ NW ¼ and NW ¼ NE ¼ of Section 25, all in Township 21 North, Range 5 East, P.M.M., Cascade County</p>	Site of Highwood Generating Station	\$400,000.00	\$85,000,000.00
<p>40 MW Gas fired Combustion Turbine electric generating facility</p> <p>Located in Cascade County on Parcel B of Certificate of Survey No. S-0004660, Amended, according to the plat thereof filed on about February 4, 2010 in the office of the Clerk and Recorder of Cascade County.</p> <p>(Includes all Equipment, Construction (Including Site-prep work, Landscaping, Switchyard, Gas Pipeline, and ancillary transmission line and facilities)</p> <p>369 Salem Road Great Falls, MT 59405</p>		\$51,041,279.93	\$85,000,000.00
<p>Transmission Line Easements</p> <p>1. Louisiana Land and Livestock</p> <p>An easement 60 feet in width across a portion of land conveyed to Louisiana Land and Livestock, LLC in that certain Warranty Deed recorded May 14, 1999 in Reel 321, Document 163, Cascade County Records, and situate in the West Half of Section 25 and the Northwest Quarter of Section 36, Township 21 North, Range 5 East, Principal Meridian of Montana, Cascade County, Montana. The boundaries of said easement are described as follows, to wit:</p> <p>Beginning at a point on the north line of the Grantor's land and the east right of way line of Salem Road which is 30.02 feet N.89 degrees</p>	Transmission Lines/Interconnection of HGS	\$19,950.00	\$85,000,000.00

07'19"E, more or less, along the quarter-quarter section line from the Northwest Corner of the Southwest Quarter of the Northwest Quarter of said Section 25 and running thence N89 degrees 07'19"E 60.05 feet along said north line; thence S.01 degrees 22'54" W 1319.73 feet to the quarter section line of said Section 25; thence S.01 23'54"W 2642.81 feet to the south line of said Section 25; thence S.01 degrees 10'13" W 859.36 feet to the south line of the Grantor's land; thence S 79 degrees 00'34" W 61.38 feet along the south line of said land to said east right of way of Salem Road; thence along said east right of way of Salem Road the following three (3) courses: 1.) N.01 degrees 10'13" E 872.41 feet to the south line of said Section 25; 2.) N.01 degrees 23'22" E 2640.51 feet to the quarter section line; 3.) N.01 degrees 22'54" E 1319.77 feet to the point of beginning.

The above described easement contains 289,638 square feet or 6.649 acres, more or less.

2. David J. and Dennice Smith

An easement 60 feet in width across a portion of land conveyed to David J. Smith and Dennice Smith in that certain Warranty Deed recorded March 3, 2008 as Instrument No. R0167952, Cascade County Records, and situate in the Southeast Quarter of Section 35, Township 21 North, Range 5 East and the East Half of Section 2 and the Northeast Quarter of Section 11, Township 20 North, Range 5 East, Principal Meridian of Montana, Cascade County, Montana. The boundaries of said easement are described as follows, to wit:

Easement A: Beginning at a point on the north right of way line of Salem Road which is 68.08 feet N. 88 degrees 56'23"W, more or less, along the section line and 30.00 feet N.01 degrees 03'37"E, more or less, from the Northeast Corner of said Section 2 and running thence N.05 degrees 03'31"E 60.15 feet; thence S.88 degrees 56'23"E 762.24 feet; thence N. 45 degrees 12'52" E 592.89 feet to the west right of way line of said Salem Road thence S.00 degrees 27' 16" E 83.88 feet along said line; thence S.45 degrees 12'52" W 559.64 feet to said north right of way line; thence N.88 degrees 56'23" W 791.81 feet along said line to the point of beginning.

Easement B: ALSO beginning at a point on the westerly right of way line of said Salem Road

\$46,541.00

\$85,000,000.00

which is 32.17 feet N.88 degrees 56'23"W, more or less, along the section line and 30.02 feet S.01 degrees 03'37"W, more or less, from the Northeast Corner of said Section 2 and running thence S.05 degrees 03'31" W 4866.79 feet along said westerly right of way; thence S.11 degrees 46'00" W 2397.24 feet continuing along said westerly right of way; thence S. 81 degrees 44'18"W 2583.61 feet to the west line of the Northeast Quarter of said Section 11 from which point the Northwest Corner of said Section 11 bears N.50 degrees 41'12"W 3326.43 feet; thence N.05 degrees 56'30"E 61.89 feet along the quarter section line; thence N. 81 degrees 44'18"E 2526.43 feet; thence N.11 degrees 46'00"E 2351.73 feet; thence N.05 degrees 03'31"E 4859.06 feet to the south right of way of said Salem Road; thence S.88 degrees 57'28" 60.15 feet along said south right of way line to the point of beginning.

The combined area of the above-described easements is 668,743 square feet of 15.352 acres, more or less.

3. David P. and Claire M. Roehm

An easement 60 feet in width across a portion of and conveyed to David P. Roehm and Claire M. Roehm in that certain Quit Claim Deed recorded December 7, 2004 as Instrument No. R0095537, Cascade County Records, and situate in the West Half of Section 36, Township 21 North, Range 5 East, Principal Meridian of Montana, Cascade County, Montana. The boundaries of said easement are described as follows, to wit:

Beginning at a point on the east right of way line of Salem Road which is 491.61 feet N.00 degrees 27'16"W, more or less, along the section line and 30.00 feet S.89 degrees 27'27"E, more or less, from the Southwest Corner of said Section 36 and running thence N.00 degrees 27'16"W 2054.94 feet along said east right of way to the quarter section line of said Section 36; thence N.01 degrees 10'13" E 1782.14 feet continuing along said east right of way to the northerly line of the Grantor's land; thence N.79 degrees 00'34"E 61.38 feet along said northerly line; thence S.01 degrees 10'13"W 1794.22 feet to said quarter section line; thence S.00 degrees 27'16"E 1995.47 feet; thence S.45 degrees 12'52" W 83.89 feet to the point of the beginning.

\$18,441.00

\$85,000,000.00

The above-described easement contains 228,810 square feet or 5.253 acres, more or less.			
<p>Water Line Easement and Right of Access Agreement with Mary E. Urquhart and the Estate of Duane L. Urquhart, through Mary E. Urquhart as its duly appointed Personal Representative.</p> <p>A permanent waterline and right of access agreement located in Section 14 and Section 23, Township 21 North, Range 5 East, M.P.M., Cascade County, Montana, described in Exhibit A and B of Easement and Right of Access Agreement recorded November 19, 2010 as Document No. R0225243.</p>	Easement and Right of Access for HGS	\$21,142.30	\$85,000,000.00
<p>Gas Line Easements – Located in Cascade County, Montana</p> <ol style="list-style-type: none"> 1. Big Stone Colony (2 Easements) <ol style="list-style-type: none"> a.) S25, T20N, R04 E, N2NE, SWNE, W2SE, W2, N/RR LS 5.54 MK 7 b.) S26, T20 N, R04 E, 4309, PARCEL 000, IN S2 N OF RR, S2NE, SENW MK 7 2. Johnson, Inc. (4 Easements) <ol style="list-style-type: none"> a.) S26, T20 N, R04 E, N2NW, NWNE, SWNW, IN NWSW MK 3 b.) S27, T20 N, R04 E, N2, IN NESE MK 3 c.) S28, T20 N, R04 E, N/2, N/2SW, LS .89MK 3 d.) S29, T20 N, R04 E, 3559, Parcel 000, N2, N2SE4, IN SW4SE4 LS 5.02 AC MKS 3&& 3. Ayrshire Dairy (3 Easements) <ol style="list-style-type: none"> a.) S29, T20 N, R04 E, IN N2SW LS 6.5 MK 2 b.) S25, T20 N, R03 E, IN LTS 1, 4, 5, N2NE, SWNE, N2NWSE MK4 c.) S30, T20 N, R04 E, IN W2, SE, LS 7.5 	Easements related to the construction of a 19 mile gas pipeline	<p>\$35,000.00</p> <p>\$56,740.00</p> <p>\$20,600.00</p>	<p>\$85,000,000.00</p> <p>\$85,000,000.00</p>
Intangible investment in Highwood Generating Station		\$49,107,268.57	\$85,000,000.00

B6B (Official Form 6B) (12/07)

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "x" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
1. Cash on hand	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		First Interstate Bank-Great Falls PO Box 5010 Great Falls, MT 59403 Sweep Checking Account	-	300.00
		First Interstate Bank-Great Falls PO Box 5010 Great Falls, MT 59403 Sweep Construction Account	-	300.00
		First Interstate Bank-Great Falls PO Box 5010 Great Falls, MT 59403 Repo Account	-	77,285.45
		US Bank, NA 1420 Fifth Avenue, Suite 700 Seattle, WA 98101 Trust Account	-	539.64
3. Security deposits with public utilities, telephone companies, landlords, and others.		Tech Properties Development, LLC 3521 Gabel Road, Suite 4 Billings, MT 59102 Landlord	-	5,000.00
		National Rural Utilities cooperative Finance Corporation 20701 Cooperative Way Dulles, VA 20166 Cash collateral deposit to secure credit facility)	-	1,003,500.00
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			

Sub-Total > **1,086,925.09**
(Total of this page)

4 continuation sheets attached to the Schedule of Personal Property

B6B (Official Form 6B) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.		Symetra Term Life Insurance (Insured Tim R. Gregori, CEO/Gen. Mgr.)	-	0.00
10. Annuities. Itemize and name each issuer.	X			
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.	X			
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and nonnegotiable instruments.	X			
16. Accounts receivable.		Power Sales-\$449,898.62; Toshiba Termination Contract Payment due from YVEC-\$1,105,524.00; Deposit requirement for CFC collateral due from YVEC-\$321,200.00; Uncollected Late Fee Charges-\$149,497.20; Protested Power Costs-YVEC-\$269,604.16; Stranded costs billed to the City of Great Falls-\$1,298,609.19; Prepaid water (credit due from the City of Great Falls)-\$1,186,061.83.	-	4,780,395.00

Sub-Total > **4,780,395.00**
(Total of this page)

Sheet **1** of **4** continuation sheets attached
to the Schedule of Personal Property

B6B (Official Form 6B) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X			
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X			
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.		Counterclaims against City of Great Falls and Electric City Power, Inc. in CDV 11-0256	-	Unknown
		Counterclaims against Yellowstone Valley Electric Cooperative, Inc. DV 08-1797	-	Unknown
22. Patents, copyrights, and other intellectual property. Give particulars.	X			
23. Licenses, franchises, and other general intangibles. Give particulars.		Transmission rights on NorthWestern Energy gas and electric transmission systems.	-	Unknown
		Intangible investment in Highwood Generating Station-Phase II	-	221,168.93
		Prepaid transmission costs under the LGIA	-	328,000.00
		Prepaid gas transmission costs	-	336,800.00
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			

Sub-Total > **885,968.93**
(Total of this page)

Sheet 2 of 4 continuation sheets attached
to the Schedule of Personal Property

B6B (Official Form 6B) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
25. Automobiles, trucks, trailers, and other vehicles and accessories.		2008 Chevrolet Tahoe	-	20,449.84
		2007 Ford F150 Truck	-	22,700.00
		2004 Chevrolet Blazer	-	6,695.00
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.		Billings Office: Telephone system, on-hold communication system, photocopier, 3 desktop computers, 2 laptop computers, 4 HP inkjet printers, 2 laser printers, Plasma HDTV, software, 6 filing cabinets, conference table and 16 chairs, 9 chairs, 6 desks, 2 tables, side table, 10 bookshelves, oak cabinet, refrigerator, microwave.	-	50,000.00
		HGS Office: 13 desks, 2 workstations, conference room table and 10 chairs, 10 folding tables, 3 metal bookcases, metal shelf, 3 printers, 1 multi-function printer, 3 desktop computers, 2 laptop computers, 8 filing cabinets, 4 microwaves, 3 cork boards, 6 dry erase boards, 3 key lock boxes, 6 2-way radios with chargers, 1 radio base station, telephone system, refrigerator, miscellaneous tools	-	50,000.00
29. Machinery, fixtures, equipment, and supplies used in business.		Telemetry equipment	-	137,551.89
		Huntley Tieline	-	583,116.13
30. Inventory.	X			
31. Animals.	X			
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.		Prepaid dues, subscriptions, and regulatory assessments	-	40,422.86
		Prepaid insurance premiums	-	215,276.66

Sub-Total > **1,126,212.38**
(Total of this page)

Sheet **3** of **4** continuation sheets attached
to the Schedule of Personal Property

B6B (Official Form 6B) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
		Investments in Associated Organizations: CoBank-\$62,416.51; CFC-\$1,000.00; Federated Rural Electric Insurance Exchange-\$2,534.00; Sun River Electric Cooperative, Inc.-\$366.00	-	66,316.51
		Patronage Capital-Basin Electric (due from Central Montana)	-	585,364.70

Sub-Total >	651,681.21
(Total of this page)	
Total >	8,531,182.61

(Report also on Summary of Schedules)

Sheet **4** of **4** continuation sheets attached
to the Schedule of Personal Property

B6D (Official Form 6D) (12/07)

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is a creditor, the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community".

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Value of Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion" on the Statistical Summary of Certain Liabilities and Related Data.

☐ Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	H U S B A N D W I F E J O I N T O R	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
Account No. xx-4102			10/17/2011					
Corval Group 1633 Eustis Street Saint Paul, MN 55108		-	Construction Lien Highwood Generating Station (see attached legal descriptions and easements)			X	226,052.01	0.00
			Value \$ 100,766,872.80					
Account No.			10/17/2011					
Falls Construction Company 1001 River Drive North Great Falls, MT 59401		-	Construction Lien (sub of Corval) Highwood Generating Station (see attached legal descriptions and easements)			X	271,740.23	0.00
			Value \$ 100,766,872.80					
Account No. xxxxxx5295			08/30/2011 Mortgage Cascade County: Approx. 446.63 acres. SE1/4 Less and Except that portion of land conveyed to the State of Montana for highway purposes by Bargain and Sale Deeds recorded April 11, 195 in Volume 242, Page 283 and Volume 242,					
First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010		-					600,000.00	0.00
			Value \$ 1,129,538.04					
Account No.			Construction Lien					
Grassman Tractor Service 512 51st Street South Great Falls, MT 59405		-	Highwood Generating Station (see attached legal descriptions and easements)			X	20,378.97	0.00
			Value \$ 100,766,872.80					
Subtotal							1,118,171.21	0.00
(Total of this page)								

1 continuation sheets attached

B6D (Official Form 6D) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

(Continuation Sheet)

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R R	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
Account No.			02/26/2010					
Modern Woodman of America Attn: Investment Department 1701 First Avenue Rock Island, IL 61201		-	Mortgage Highwood Generating Station (see attached legal descriptions and easements)					
			Value \$ 100,766,872.80				10,000,000.00	0.00
Account No. xT043			06/02/2011 Purchase Money Security National Rural Utilities cooperative Finance Corporation 20701 Cooperative Way Dulles, VA 20166 Cash collateral deposit to secure credit facility)					
National Rural Utilities Co-op Fin. 20701 Cooperative Way Dulles, MT 20166		-						
			Value \$ 1,003,500.00				5,000,000.00	3,996,500.00
Account No.			02/26/2010					
Prudential Capital Group 2200 Ross Avenue, Suite 4200E Dallas, TX 75201		-	Mortgage Highwood Generating Station (see attached legal descriptions and easements)					
			Value \$ 100,766,872.80				75,000,000.00	0.00
Account No.			10/17/2011					
Yellowstone Electric Company 1919 4th Avenue North Billings, MT 59101		-	Construction Lien (sub of Corval) Highwood Generating Station (see attached legal descriptions and easements)			X		
			Value \$ 100,766,872.80				372,410.06	0.00
Account No.								
			Value \$					
Subtotal							90,372,410.06	3,996,500.00
(Total of this page)								
Total							91,490,581.27	3,996,500.00
(Report on Summary of Schedules)								

Sheet **1** of **1** continuation sheets attached to
Schedule of Creditors Holding Secured Claims

B6E (Official Form 6E) (4/10)

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

☐ Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)☐ **Domestic support obligations**

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

☐ **Extensions of credit in an involuntary case**

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

☒ **Wages, salaries, and commissions**

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$11,725* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

☒ **Contributions to employee benefit plans**

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

☐ **Certain farmers and fishermen**

Claims of certain farmers and fishermen, up to \$5,775* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

☐ **Deposits by individuals**

Claims of individuals up to \$2,600* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

☒ **Taxes and certain other debts owed to governmental units**

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

☐ **Commitments to maintain the capital of an insured depository institution**

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507(a)(9).

☐ **Claims for death or personal injury while debtor was intoxicated**

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

* Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

B6E (Official Form 6E) (4/10) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

(Continuation Sheet)

Wages, salaries, and commissions

TYPE OF PRIORITY

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R	H W J C	Husband, Wife, Joint, or Community	D A T E C L A I M W A S I N C U R R E D A N D C O N S I D E R A T I O N F O R C L A I M	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM	AMOUNT NOT ENTITLED TO PRIORITY, IF ANY
									AMOUNT ENTITLED TO PRIORITY
Account No.				10/21/2011					
Carrie Boysun		-							0.00
								3,299.28	3,299.28
Account No.				10/21/2011					
Tim Gregori		-							13,640.20
								25,365.20	11,725.00
Account No.				10/21/2011					
Troy Dahlgren		-							0.00
								10,893.03	10,893.03
Account No.									
Account No.									
Subtotal									13,640.20
(Total of this page)								39,557.51	25,917.31

Sheet **1** of **3** continuation sheets attached to
Schedule of Creditors Holding Unsecured Priority Claims

B6E (Official Form 6E) (4/10) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

(Continuation Sheet)

Contributions to employee benefit plans

TYPE OF PRIORITY

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R	H W J C	Husband, Wife, Joint, or Community DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM	AMOUNT NOT ENTITLED TO PRIORITY, IF ANY
								AMOUNT ENTITLED TO PRIORITY
Account No.			10/01/2011-10/21/2011					
NRECA (401k) PO Box 790224 Saint Louis, MO 63179-0224		-						0.00
							1,797.68	1,797.68
Account No.								
Account No.								
Account No.								
Account No.								
Subtotal								0.00
(Total of this page)							1,797.68	1,797.68

Sheet **2** of **3** continuation sheets attached to
Schedule of Creditors Holding Unsecured Priority Claims

B6E (Official Form 6E) (4/10) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

(Continuation Sheet)

**Taxes and Certain Other Debts
Owed to Governmental Units**

TYPE OF PRIORITY

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R	H W J C	Husband, Wife, Joint, or Community	D A T E C L A I M W A S I N C U R R E D A N D C O N S I D E R A T I O N F O R C L A I M	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM	AMOUNT NOT ENTITLED TO PRIORITY, IF ANY
									AMOUNT ENTITLED TO PRIORITY
Account No.				11/30/2011					
Montana Department of Revenue PO Box 7701 Helena, MT 59604-7701		-		2011 Property Taxes				Unknown	Unknown
								Unknown	0.00
Account No.				10/01/2011-10/21/2011					
Montana Department of Revenue PO Box 7701 Helena, MT 59604-7701		-						0.00	0.00
								2,089.64	2,089.64
Account No.				10/01/2011-10/21/2011					
US Treasury Internal Revenue Service PO Box 7346 Philadelphia, PA 19101-7346		-						0.00	0.00
								10,122.03	10,122.03
Account No.									
Account No.									
Subtotal									0.00
(Total of this page)								12,211.67	12,211.67
Total									13,640.20
(Report on Summary of Schedules)								53,566.86	39,926.66

Sheet **3** of **3** continuation sheets attached to
Schedule of Creditors Holding Unsecured Priority Claims

B6F (Official Form 6F) (12/07)

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.

☐ Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	H U S B W I F E J O I N T C O M M U N I T Y	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No. x0062			08/2010-10/19/2011				
ATCO Structures and Logistics Ltd 5115 Crowchild Trail SW Calgary, AB T3E 1T9 Canada	-		Payments due on equipment contract and ambient air survey contract for HGS				
							248,825.50
Account No.			10/21/2011				
Beartooth Electric Cooperative, Inc PO Box 1110 Red Lodge, MT 59068-1110	-		Member deposit in wholesale power bill reserve fund	X			
							372,081.40
Account No.			10/21/2011				
Beartooth Electric Cooperative, Inc PO Box 1110 Red Lodge, MT 59068-1110	-		Member's patronage capital in Southern Montana Electric G&T Cooperative, Inc. (equity)	X			
							1,067,614.13
Account No.			10/21/2011				
Beartooth Electric Cooperative, Inc PO Box 1110 Red Lodge, MT 59068-1110	-		Member's investment in HGS (equity)	X			
							1,361,151.83
Subtotal (Total of this page)							3,049,672.86

11 continuation sheets attached

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No.		10/21/2011				
Beartooth Electric Cooperative, Inc PO Box 1110 Red Lodge, MT 59068-1110	-	Member deposit for CFC collateral payment	X			93,000.00
Account No.		07/27/2011				
Boland Drilling 4701 N. Star Blvd. Great Falls, MT 59405	-	Drilling irrigation well at HGS				34,900.00
Account No. xxxxx &x1639		08/01/2011-09/30/2011				
Bonneville Power Administration PO Box 3621 Portland, OR 97208-3621	-	Power and Transmission Services				1,233,455.75
Account No. xxx-xxx-xxxx 204B		10/13/2011				
Century Link PO Box 29040 Phoenix, AZ 85038-9040	-	Telephone Charges				51.50
Account No. xxxx3859		10/19/2011				
Century Link Business Services PO Box 52187 Phoenix, AZ 85072-2187	-	Telephone Charges				2,369.71
Sheet no. <u>1</u> of <u>11</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						
Subtotal (Total of this page)						1,363,776.96

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No.		10/21/2011				
City of Great Falls PO Box 5021 Great Falls, MT 59403-5021	-	Reimbursement of Trustee expenses for attending monthly board meeting				348.99
Account No.		10/21/2011				
City of Great Falls PO Box 5021 Great Falls, MT 59403-5021	-	Member deposit in wholesale power bill reserve fund	X			866,520.59
Account No.		10/21/2011				
City of Great Falls PO Box 5021 Great Falls, MT 59403-5021	-	Member's patronage capital in Southern Montana Electric G&T Cooperative, Inc. (equity)	X		X	42,226.96
Account No.		10/21/2011				
City of Great Falls PO Box 5021 Great Falls, MT 59403-5021	-	Member's residual value in HGS coal plant (equity)	X		X	1,144,390.31
Account No.		10/21/2011				
City of Great Falls PO Box 5021 Great Falls, MT 59403-5021	-	Member deposit for CFC collateral payment	X			215,500.00
Sheet no. <u>2</u> of <u>11</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal (Total of this page)
						2,268,986.85

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. xx-4115 Clean Air Engineering 500 W. Wood Street Palatine, IL 60067	-	10/13/2011 Testing at HGS				29,597.50
Account No. xx3056 Covington and Burling 1201 Pennsylvania Avenue NW Washington, DC 20004-2401	-	07/01/2011-09/30/2011 Legal Services				64,473.07
Account No. E3 Consulting, LLC 3333 S. Bannock St., Suite 500 Englewood, CO 80110	-	07/01/2011-09/30/2011 Professional Services				102,771.01
Account No. Edwards, Frickle & Culver PO Box 20039 Billings, MT 59104	-	07/01/2011-09/30/2011 Legal Services				306,207.35
Account No. Electrical Consultants, Inc. 3521 Gabel Road Billings, MT 59102	-	07/01/2011-09/30/2011 Engineering Services				31,587.68
Sheet no. 3 of 11 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						534,636.61
Subtotal (Total of this page)						534,636.61

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No.		08/08/2011-09/30/2011				
Energy West PO Box 2229 Great Falls, MT 59403	-	HGS related services and gas transport and supply billing for September				158,377.80
Account No.		09/01/2011-09/30/2011				
Energy West Resources PO Box 1526 Great Falls, MT 59403	-	Monthly gas supply management and transport customer mangement services				6,200.00
Account No.		10/21/2011				
EPC Services, Inc. 3521 Gabel Road Billings, MT 59102	-	Construction costs of HGS switchyard				1,858,605.92
Account No.		09/29/2011				
EPM Power & Water Solutions, Inc. 22737 Network Place Chicago, IL 60673-1227	-	Payment on equipment contract at HGS				4,900.00
Account No.		10/21/2011				
Fergus Electric Cooperative, Inc. 84423 US Highway 87 Lewistown, MT 59457-2058	-	Member deposit in wholesale power bill reserve fund	X			1,014,740.33
Sheet no. 4 of 11 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal (Total of this page)
						3,042,824.05

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No.		10/21/2011				
Fergus Electric Cooperative, Inc. 84423 US Highway 87 Lewistown, MT 59457-2058	-	Member's patronage capital in Southern Montana Electric G&T Cooperative, Inc. (equity)	X			1,540,938.07
Account No.		10/21/2011				
Fergus Electric Cooperative, Inc. 84423 US Highway 87 Lewistown, MT 59457-2058	-	Member's investment in HGS (equity)	X			2,689,831.81
Account No.		10/21/2011				
Fergus Electric Cooperative, Inc. 84423 US Highway 87 Lewistown, MT 59457-2058	-	Member deposit for CFC collateral payment	X			213,700.00
Account No. xxxxxx5070		10/21/2011				
First Interstate Bank PO Box 5010 Great Falls, MT 59403	-	Line of credit and accrued interest				1,256,369.86
Account No. xxxxxx0283		11/05/2005				
First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010	-	Standby letter of credit for City/PPL; secured by pledge of City cd	X			1,400,000.00
Sheet no. <u>5</u> of <u>11</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal (Total of this page)
						7,100,839.74

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. x7828 GE Packaged Power, Inc. 16415 Jacintoport Blvd. Houston, TX 77015	-	10/12/2011 Spare parts for HGS				49,145.00
Account No. Land Supply, Inc. PO Box 80746 Billings, MT 59108	-	08/03/2011-09/22/2011 Landscaping at HGS				178,500.00
Account No. x0523 LS Jensen 4685 Mullan Road Missoula, MT 59808	-	09/06/2011 HGS construction				682,344.05
Account No. xxxx0001 Luxan & Murfitt PO Box 1144 Helena, MT 59624	-	09/15/2011-10/15/2011 Legal Services				351.00
Account No. xxxx-xxxx-xxxx-7431 Mastercard PO Box 31021 Tampa, FL 33631-3021	-	09/22/2011-10/21/2011 Credit card charges				2,172.10
Sheet no. 6 of 11 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						912,512.15
Subtotal (Total of this page)						912,512.15

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No.		10/21/2011				
Mid-Yellowstone Electric Co-op PO Box 386 Hysham, MT 59038-0386	-	Member deposit in wholesale power bill reserve fund	X			150,770.22
Account No.		10/21/2011				
Mid-Yellowstone Electric Co-op PO Box 386 Hysham, MT 59038-0386	-	Member's patronage capital in Southern Montana Electric G&T Cooperative, Inc. (equity)	X			428,664.26
Account No.		10/21/2011				
Mid-Yellowstone Electric Co-op PO Box 386 Hysham, MT 59038-0386	-	Member's investment in HGS (equity)	X			572,565.80
Account No.		10/21/2011				
Mid-Yellowstone Electric Co-op PO Box 386 Hysham, MT 59038-0386	-	Member deposit for CFC collateral payment	X			36,700.00
Account No. 1521		10/18/2011				
National Laundry Co. 700 Cresent Circle Great Falls, MT 59404	-	Rental mats and miscellaneous supplies at HGS office				37.05
Sheet no. <u>7</u> of <u>11</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal (Total of this page)
						1,188,737.33

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No. 7328 Northern Broadcasting PO Box 1742 Billings, MT 59103	-	09/01/2011-09/30/2011 Advertising for HGS				2,080.00
Account No. xxxx986-5 NorthWestern Energy 40 East Broadway St. Butte, MT 59701-9394	-	08/01/2011-10/21/2011 Transmission Services				1,385,900.77
Account No. PPL Energy Plus 2 North Ninth St. Allentown, PA 18101-1179	-	08/01/2011-09/30/2011 Power supply (does not include deduction of draws made on letters of credit)	X		X	7,584,243.28
Account No. Proven Compliance Solutions, Inc. 200 S. Executive Drive, Suite 101 Brookfield, WI 53005	-	09/01/2011-09/30/2011 Professional Services				15,603.22
Account No. x1920 Stanley Consultants, Inc. 8000 S. Chester St. Centennial, CO 80112	-	07/01/2011-10/03/2011 Engineering and design services for HGS				917,187.67
Sheet no. 8 of 11 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal (Total of this page) 9,905,014.94

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E B T O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No.		08/31/2011-09/30/2011				
Sutherland Asbill & Brennan LLP 999 Peachtree Street, NE Atlanta, GA 30309-3996	-	Legal Services				5,558.00
Account No.		08/01/2011-09/30/2011				
The Energy Corporation 126 Pine View Loop Bastrop, TX 78602	-	HGS construction payment				558,683.90
Account No.		10/21/2011				
Tongue River Electric Co-op, Inc. Box 138 Ashland, MT 59003	-	Member deposit in wholesale power bill reserve fund	X			489,900.49
Account No.		10/21/2011				
Tongue River Electric Co-op, Inc. Box 138 Ashland, MT 59003	-	Member's patronage capital in Southern Montana Electric G&T Cooperative, Inc. (equity)	X			1,364,016.94
Account No.		10/21/2011				
Tongue River Electric Co-op, Inc. Box 138 Ashland, MT 59003	-	Member's investment in HGS (equity)	X			1,878,116.68
Sheet no. 9 of 11 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						
Subtotal (Total of this page)						4,296,276.01

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No.		10/21/2011				
Tongue River Electric Co-op, Inc. Box 138 Ashland, MT 59003	-	Member deposit for CFC collateral payment	X			119,900.00
Account No.		10/20/2011				
UE Compression PO Box 96-0096 Oklahoma City, OK 73196-0096	-	Spare parts for HGS				6,445.62
Account No. S015		08/31/2011-09/30/2011				
Ugrin Alexander Zadick & Higgins PC PO Box 1746 Great Falls, MT 59403	-	Legal Service				6,929.83
Account No.		09/01/2011-09/30/2011				
Washington Utility Group 19365 Cypress Ridge Terrace Suite 809 Lansdowne, VA 20176	-	Professional Services				1,250.00
Account No. x8290		09/01/2011-10/21/2011				
Western Area Power Administration Watertown Operations Office Power Billing Division Box 790 Watertown, SD 57201-0790	-	Power supply and transmission services		X		566,284.60
Sheet no. 10 of 11 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						
Subtotal (Total of this page)						700,810.05

B6F (Official Form 6F) (12/07) - Cont.

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B O R	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
		H W J C				
Account No.						
Wolf Block PLLP Attn: Ken Hildebrant 19th Floor 1650 Arch Street Philadelphia, PA 19103	-	03/31/2009-04/30/2009 Legal Services			X	21,968.93
Account No.						
Yellowstone Valley Electric Co-op PO Box 249 Huntley, MT 59037-0249	-	10/21/2011 Member deposit in wholesale power bill reserve fund	X			1,302,471.72
Account No.						
Yellowstone Valley Electric Co-op PO Box 249 Huntley, MT 59037-0249	-	10/21/2011 Member's patronage capital in Southern Montana Electric G&T Cooperative, Inc. (equity)	X		X	3,713,120.69
Account No.						
Yellowstone Valley Electric Co-op PO Box 249 Huntley, MT 59037-0249	-	10/21/2011 Member's residual value in HGS coal plant (equity)	X		X	898,630.87
Account No.						
Sheet no. 11 of 11 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims						Subtotal (Total of this page)
						5,936,192.21
						Total (Report on Summary of Schedules)
						40,300,279.76

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser", "Agent", etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

☐ Check this box if debtor has no executory contracts or unexpired leases.

Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract	Description of Contract or Lease and Nature of Debtor's Interest. State whether lease is for nonresidential real property. State contract number of any government contract.
ATCO Structures and Logistics Ltd 5115 Crowchild Trail SW Calgary, AB T3E 1T9 Canada	Contract CP-4114 Ambient Acoustical Survey
Beartooth Electric Cooperative, Inc PO Box 1110 Red Lodge, MT 59068-1110	Wholesale Power Contract
City of Great Falls/ECP PO Box 5021 Great Falls, MT 59403-5021	Wholesale Power Contract
Clean Air Engineering 500 W. Wood Street Palatine, IL 60067	Contract CP-4115-Testing at HGS
Corval Group 1633 Eustis Street Saint Paul, MN 55108	General Construction Contract for HGS. Contract CP-4102; Corval Job No. 210012
Energy West Montana PO Box 2229 Great Falls, MT 59403	Gas Transportation Service Agreement & Purchase Option Agreement
Energy West Resources PO Box 1526 Great Falls, MT 59403	Base Contract for Sale and Purchase of Natural Gas (NAESB); services agreement
Fergus Electric Cooperative, Inc. 84423 US Highway 87 Lewistown, MT 59457-2058	Wholesale Power Contract
GE Packaged Power, Inc. 16415 Jacintoport Blvd. Houston, TX 77015	Contract M-3301, Project 21920 Combustion Turbine Generators
Geo. R Pierce, Inc. Pierce Leasing-Outlying PO Box 80707 Billings, MT 59108-0707	Contract No. 1483 & 1396. Two leases on trailers (temporary office buildings at HGS)
Iberdrola Energy Services 3250, 450-1st St. SW Calgary, AB T2P 5H1 Canada	Gas Transmission Arrangement

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**

Case No. 11-62031

Debtor

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

(Continuation Sheet)

Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract	Description of Contract or Lease and Nature of Debtor's Interest. State whether lease is for nonresidential real property. State contract number of any government contract.
Independent Electricity Supply Svcs PO Box 80152 Billings, MT 59108-0152	Power Supply Contract
Mid-Yellowstone Electric Co-op PO Box 386 Hysham, MT 59038-0386	Wholesale Power Contract
NorthWestern Energy 40 East Broadway St. Butte, MT 59701-9394	Transmission Service Agreement-Electricity Transmission Service Agreement-Gas Supply
NOVA Gas Transmission Ltd. TransCanada	Master Agreement for the Assignment of Service; Service Agreement; Dry wood project authorization
Pheasant Run Builders 1324 Central Avenue West Great Falls, MT 59404	Construction work on pre-engineered buildings
Pitney Bowes Global Fin. Svcs. LLC PO Box 371887 Pittsburgh, PA 15250-7887	Lease on postage machine
PPL Energy Plus 2 North Ninth St. Allentown, PA 18101-1179	Power Purchase Agreement
Proven Compliance Solutions, Inc. 200 S. Executive Drive, Suite 101 Brookfield, WI 53005	Master Project Services Agreement related to consulting services for WECC Registration and NERC Reliability Standards Compliance
Scott Urquhart Urquhart Farms 35 Sun Valley Lane Great Falls, MT 59405	Seeding Agreement-HGS
Siemens Industries, Inc. Water Technologies Business Unit 2501 N. Barrington Road Hoffman Estates, IL 60192	Customer No. 1102947; Mobile DI Service Agreement to deliver demineralized water to HGS
Tech Properties Development, LLC 3521 Gabel Road, Suite 4 Billings, MT 59102	Lease of office space
Tenaska Marketing Venutres 11718 Nicholas Street Omaha, NE 68154	Temporary Assignment of NOVA Gas Transmission Limited transportation capacity Base Contract for Sale and Purchase of Natural Gas (NAESB)

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**

Case No. **11-62031**

Debtor

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

(Continuation Sheet)

Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract	Description of Contract or Lease and Nature of Debtor's Interest. State whether lease is for nonresidential real property. State contract number of any government contract.
Tongue River Electric Co-op, Inc. Box 138 Ashland, MT 59003	Wholesale Power Contract
Various	Various warranties on equipment and related services at HGS
Walter A. and Robyn R.Mehmke 8293 US Hwy 89 Great Falls, MT 59405	Farm lease on Township 20 North, Range 5 East, M.P.M., Cascade County Montana Section 10: SE1/4 less and except that portion of land conveyed to the State of Montana for highway purposes and containing approximately 147.806 acres AND Tract 1 and 2 of Certificate of Survey No. S-0004671 filed April 6, 2010, records of Cascade County, Montana located in the SW1/4 of Section 10, Township 20 North, Range 5 East, M.P.M., Cascade County, Montana
Western Area Power Administration Watertown Operations Office Power Billing Division Box 790 Watertown, SD 57201-0790	Power Purchase Agreement
Yellowstone Valley Electric Co-op PO Box 249 Huntley, MT 59037-0249	Wholesale Power Contract

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**Case No. **11-62031**

Debtor

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112 and Fed. R. Bankr. P. 1007(m).

☐ Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
Beartooth Electric Cooperative, Inc PO Box 1110 Red Lodge, MT 59068-1110 Guarantor on line of credit	First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010
City of Great Falls PO Box 5021 Great Falls, MT 59403-5021 Pledge collateral on letter of credit	First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010
Fergus Electric Cooperative, Inc. 84423 US Highway 87 Lewistown, MT 59457-2058 Guarantor on credit facility	National Rural Utilities Co-op Fin. 20701 Cooperative Way Dulles, MT 20166
Fergus Electric Cooperative, Inc. 84423 US Highway 87 Lewistown, MT 59457-2058 Guarantor on line of credit	First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010
Mid-Yellowstone Electric Co-op PO Box 386 Hysham, MT 59038-0386 Guarantor on credit facility	National Rural Utilities Co-op Fin. 20701 Cooperative Way Dulles, MT 20166
Mid-Yellowstone Electric Co-op PO Box 386 Hysham, MT 59038-0386 Guarantor on line of credit	First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010
SME Electric and Trans. Co-op, Inc. 3521 Gabel Road, Suite 5 Billings, MT 59102 Pledge collateral on letter of credit	First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010
Tongue River Electric Co-op, Inc. Box 138 Ashland, MT 59003 Guarantor on credit facility	National Rural Utilities Co-op Fin. 20701 Cooperative Way Dulles, MT 20166
Tongue River Electric Co-op, Inc. Box 138 Ashland, MT 59003 Guarantor on line of credit	First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010

B6 Declaration (Official Form 6 - Declaration). (12/07)

**United States Bankruptcy Court
District of Montana**

In re **Southern Montana Electric Generation and Transmission Cooperative,
Inc.**

Debtor(s)

Case No. **11-62031**

Chapter **11**

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the President of the corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 34 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date **November 4, 2011**

Signature **/s/ William C. FitzGerald**
William C. FitzGerald
President

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

**United States Bankruptcy Court
District of Montana**

In re **Southern Montana Electric Generation and Transmission Cooperative,
Inc.**

Debtor(s)

Case No. **11-62031**
Chapter **11**

STATEMENT OF FINANCIAL AFFAIRS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

DEFINITIONS

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

1. Income from employment or operation of business

None ☐ State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
\$43,933,168.15	Power Sales-January 1, 2011 through October 21, 2011
\$51,209,228.65	Power Sales for 2010
\$41,350,789.27	Power Sales for 2009

2. Income other than from employment or operation of business

None ☐ State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
\$87,613.03	01/01/11-10/21/11-Interest Income-\$37,318.11; Patronage Capital Credits-\$760.10; Late Fees-\$49,534.82
\$192,060.92	2010-Interest Income-\$118,438.19; Patronage Capital Credits-\$606.90; Sales of Renewable Energy Credits-\$6,222.00; Miscellaneous Refunds-\$18.23; Lease Income-\$6,988.32; Late Fees-\$59,787.28
\$346,869.17	2009-Interest Income-\$27,921.07; Patronage Capital Credits-\$287.00; Sales of Renewable Energy Credits-\$123,711.02; Miscellaneous Refunds-\$146,703.00; Late Fees-\$48,247.08

3. Payments to creditors

None ☐ **Complete a. or b., as appropriate, and c.**

a. *Individual or joint debtor(s) with primarily consumer debts.* List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within **90 days** immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS	AMOUNT PAID	AMOUNT STILL OWING
---------------------------------	----------------------	-------------	-----------------------

None ☐ b. *Debtor whose debts are not primarily consumer debts:* List each payment or other transfer to any creditor made within **90 days** immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$5,850*. If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments and other transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS/ TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
360 Networks 130 North Main Street, 3rd Floor Butte, MT 59701	07/29/2011-10/21/2011	\$10,018.12	\$0.00
ATCO Structures and Logistics, Ltd. 5115 Crowchild Trail SW Calgary, AB T3E 1T9 Canada	09/30/2011-10/06/2011	\$29,985.00	\$248,825.50
Best Oil 5401 River Drive North Great Falls, MT 59405	10/12/2011	\$7,175.86	\$0.00
Bonneville Power Administration PO Box 3621 Portland, OR 97208-3621	08/01/2011-10/06/2011	\$1,112,041.25	\$1,233,455.75
Cogswell Agency PO Box 2009 Great Falls, MT 59403-2009	07/25/2011-10/20/2011	\$230,835.00	\$0.00

* Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS/ TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
Corval Group 1633 Eustis Street Saint Paul, MN 55108	09/08/2011-09/30/2011	\$287,543.40	\$870,202.30
Covington and Burling 1201 Pennsylvania Avenue NW Washington, DC 20004-2401	07/29/2011	\$17,744.15	\$64,473.07
E3 Consulting, LLC 3333 S. Bannock St., Suite 500 Englewood, CO 80110	10/03/2011	\$11,067.75	\$102,771.01
Edwards Frickle & Culver PO Box 20039 Billings, MT 59104	07/29/2011-10/04/2011	\$76,473.27	\$276,207.35
EFTPS Electronic Fed Tax Pymt System US Department of Treasury Internal Revenue Service PO Box 7346 Philadelphia, PA 19101-7346	08/01/2011-10/03/2011	\$48,738.39	\$10,122.03
Energy West PO Box 2229 Great Falls, MT 59403	10/03/2011	\$7,443.44	\$158,377.80
Energy West Resources PO Box 1526 Great Falls, MT 59403	09/16/2011	\$6,200.00	\$6,200.00
Fastenal PO Box 978 Winona, MN 55987-0978	08/10/2011-10/14/2011	\$46,014.72	\$0.00
Federal Rural Electric Insurance Exchang PO Box 15147 Lenexa, KS 66285-5147	09/09/2011-10/21/2011	\$23,614.00	\$0.00
GE Packaged Power, Inc. 16415 Jacintoport Blvd. Houston, TX 77015	09/09/2011-09/30/2011	\$11,267.50	\$49,145.00
Land Supply, Inc. PO Box 80746 Billings, MT 59108	10/03/2011	\$27,000.00	\$178,500.00
LS Jensen 4685 Mullan Road Missoula, MT 59808	07/29/2011-08/26/2011	\$335,639.75	\$682,344.05
Mastercard PO Box 31021 Tampa, FL 33631-3021	07/29/2011-09/30/2011	\$32,585.03	\$2,172.10
Montana Business Tax Express Montana Department of Revenue PO Box 5835 Helena, MT 59604	08/01/2011-10/03/2011	\$9,460.00	\$2,089.64
Montana Safety Services Council PO Box 81087 Billings, MT 59108-1087	09/09/2011-09/30/2011	\$8,638.72	\$0.00
National Rural Utilities Co-op Fin. Corp 20701 Cooperative Way Dulles, VA 20166	08/02/2011-09/30/2011	\$67,590.41	\$5,000,000.00

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS/ TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
Northern Broadcasting PO Box 1742 Billings, MT 59103	07/29/2011-09/16/2011	\$6,240.00	\$2,080.00
Northern Skies Aviation PO Box 936 Laurel, MT 59044	07/29/2011-08/19/2011	\$8,318.54	\$0.00
Northwestern Energy 40 East Broadway St. Butte, MT 59701-9394	07/29/2011-10/21/2011	\$1,199,606.20	\$1,385,900.77
NRECA (401k) PO Box 790224 Saint Louis, MO 63179-0224	08/01/2011-10/03/2011	\$7,979.09	\$1,797.68
NRECA (R&S) PO Box 775670 Saint Louis, MO 63177-5670	08/01/2011-10/03/2011	\$10,935.60	\$0.00
NRECA Group Benefits Trust PO Box 798185 Saint Louis, MO 63177-8000	08/01/2011-10/12/2011	\$64,411.64	\$0.00
Pheasant Run Builders 1324 Central Avenue West Great Falls, MT 59404	10/03/2011	\$17,326.00	\$0.00
Pierce Leasing PO Box 80707 Billings, MT 59108-0707	08/02/2011-10/12/2011	\$7,350.00	\$0.00
Powell Electrical Systems, Inc. Electrical Division 8550 Mosley Drive Houston, TX 77075	09/08/2011	\$87,190.00	\$0.00
PPL Energy Plus 2 North Ninth St. Allentown, PA 18101-1179	08/22/2011-10/20/2011	\$11,345,787.99	\$7,584,243.28
Sand Coulee Volunteer Fire Dept. PO Box 60 Sand Coulee, MT 59472	07/29/2011	\$25,000.00	\$0.00
Siemens Industries, Inc. PO Box 360766 Pittsburgh, PA 15250-6766	09/30/2011	\$23,493.20	\$0.00
Sun River Electric Cooperative, Inc. PO Box 309 Fairfield, MT 59436-0309	08/19/2011-10/21/2011	\$8,501.78	\$0.00
Talco Fire Systems 6040 NE 112th Avenue Portland, OR 97220	09/30/2011	\$23,816.00	\$0.00
Tech Properties Development 3521 Gabel Road, Suite 4 Billings, MT 59102	07/29/2011-09/30/2011	\$18,719.07	\$0.00
The Energy Corporation 126 Pine View Loop Bastrop, TX 78602	09/23/2011-09/30/2011	\$66,186.10	\$558,683.90
UE Compression PO Box 96-0096 Oklahoma City, OK 73196-0096	09/30/2011	\$10,186.46	\$6,445.62

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS/ TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
Urquhart Farms 35 Sun Valley Lane Great Falls, MT 59405	08/19/2011-10/12/2011	\$11,062.65	\$0.00
Western Area Power Administration Watertown Operations Office Power Billing Division Box 790 Watertown, SD 57201-0790	08/17/2011-10/17/2011	\$1,170,192.72	\$566,284.60
Employee-Shannon Agotness	07/24/2011-08/31/2011	\$6,346.91	\$0.00
Employee-William Bato	07/24/2011-10/21/2011	\$19,154.83	\$3,676.77
Employee-Thomas Blackwell	07/24/2011-10/21/2011	\$13,868.76	\$2,820.67
Employee-Carrie Boysun	07/24/2011-10/21/2011	\$13,319.16	\$2,912.80
Employee-John Coe	07/24/2011-10/21/2011	\$13,587.49	\$2,878.01
Employee-Troy Dahlgren	07/24/2011-10/21/2011	\$17,370.25	\$3,814.28
Employee-Vicky DeKoning	07/24/2011-10/21/2011	\$5,703.35	\$1,193.13
Employee-Johnny Duncan	07/24/2011-10/21/2011	\$16,185.15	\$3,058.37
Employee-Thomas Dwyer	07/24/2011-10/21/2011	\$3,950.69	\$956.88
Employee-Jeremy Egan	09/30/2011-10/21/2011	\$3,384.06	\$2,264.54
Employee-Tim Gregori	07/24/2011-10/21/2011	\$24,052.52	\$5,689.90
Employee-Terry Tyler	07/24/2011-09/30/2011	\$2,551.65	\$0.00
Employee-Larry Wunderlich	09/30/2011-10/21/2011	\$1,250.18	\$961.08
Doak & Associates, PC PO Box 1875 Billings, MT 59103-1875	07/29/2011-10/21/2011	\$72,667.55	\$0.00
Douglas Wilson & Co. PO Box 2845 Great Falls, MT 59403	07/29/2011-10/21/2011	\$10,730.63	\$0.00

None ☐ c. *All debtors:* List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT PAID	AMOUNT STILL OWING
William FitzGerald PO Box 1135 Forsyth, MT 59327 Board of Trustees-President	01/31/2011 (fee and expense reimbursements)	\$8,688.70	\$7,211.62

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT PAID	AMOUNT STILL OWING
Joe Dirkson PO Box 77 Winifred, MT 59489 Board of Trustees-Secretary/Treasurer	10/28/2010-10/21/2011 (fees and expense reimbursements)	\$9,294.90	\$0.00
Gerhard Helm 1088 Tongue River Road Miles City, MT 59301 Board of Trustees-Trustee	10/28/2010-10/21/2011 (fees and expense reimbursements)	\$5,108.25	\$333.25
David Kelsey 1902 Molt-Rapelje Road Molt, MT 59057 Board of Trustees-Trustee	11/03/2010-10/12/2011 (fees and expense reimbursements)	\$5,272.40	\$277.75
City of Great Falls PO Box 5021 Great Falls, MT 59403 Board of Trustees-Trustee	12/28/2010-09/30/2011 (expense reimbursements for Trustee representative Bob Jones or Greg Doyon)	\$3,562.09	\$348.99
City of Great Falls PO Box 5021 Great Falls, MT 59403 Board of Trustees-Trustee	11/03/2010 (Fire protection/emergency services Agreement-HGS)	\$2,800.00	\$0.00
John Prinkki 22 Taylor Hill Road Roberts, MT 59070 Board of Trustees-Former Trustee	10/28/2010-09/30/2011 (fees and expense reimbursements)	\$3,924.50	\$0.00
Joe Kern 316 N. Stillwater Road Absarokee, MT 59001 Board of Trustees-Substitute Trustee	08/26/2011	\$308.83	\$0.00
Yellowstone Valley Electric Co-op, Inc. PO Box 249 Huntley, MT 59037-0249 Member of Southern Montana	10/28/2010-10/12/2011 (substation telephone charges)	\$10,475.20	\$853.73

4. Suits and administrative proceedings, executions, garnishments and attachments

- None
☐ a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
The Billings Gazette, a division of Lee Enterprises vs. Southern Montana Electric Generation and Transmission Cooperative, Inc. DV 10-1095	Declaratory Judgment	Montana 13th Judicial District Court, Yellowstone County	Pending
Yellowstone Valley Electric Cooperative, Inc., vs. Southern Montana Electric Generation and Transmission Cooperative, Inc., Fergus Electric Cooperative, Inc., Mid-Yellowstone Electric Cooperative, Inc., Tongue River Electric Cooperative, Inc., Beartooth Electric Cooperative, Inc., and SME Electric Generation and Transmission Cooperative, Inc. DV 08-1797	Breach of Contract; Declaratory Judgment	Montana 13th Judicial District Court, Yellowstone County	Pending

CAPTION OF SUIT AND CASE NUMBER City of Great Falls and Electric City Power, Inc. vs. Southern Montana Electric Generation & Transmission Cooperative, Inc. and SME Electric Generation and Transmission Cooperative, Inc. CDV 11-0256	NATURE OF PROCEEDING Declaratory Judgment	COURT OR AGENCY AND LOCATION Montana 8th Judicial District Court, Cascade County	STATUS OR DISPOSITION Pending
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None ☒ b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED	DATE OF SEIZURE	DESCRIPTION AND VALUE OF PROPERTY
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5. Repossessions, foreclosures and returns

None ☒ List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR OR SELLER	DATE OF REPOSSESSION, FORECLOSURE SALE, TRANSFER OR RETURN	DESCRIPTION AND VALUE OF PROPERTY
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6. Assignments and receiverships

None ☒ a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF ASSIGNEE	DATE OF ASSIGNMENT	TERMS OF ASSIGNMENT OR SETTLEMENT
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None ☒ b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CUSTODIAN	NAME AND LOCATION OF COURT CASE TITLE & NUMBER	DATE OF ORDER	DESCRIPTION AND VALUE OF PROPERTY
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7. Gifts

None ☐ List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON OR ORGANIZATION Southern Montana Development Corp. PO Box 1935 Colstrip, MT 59323	RELATIONSHIP TO DEBTOR, IF ANY None	DATE OF GIFT 07/22/2011	DESCRIPTION AND VALUE OF GIFT \$132.50 Co-sponsorship of 2011 Energy Open Conference and Golf Tournament
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8. Losses

- None ☒ List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
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9. Payments related to debt counseling or bankruptcy

- None ☒ List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of the petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
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10. Other transfers

- None ☐ a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **two years** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED
National Rural Utilities Co-op Fin. Corp 20701 Cooperative Way Dulles, VA 20166 Creditor	06/03/2011	\$1,003,500 Cash collateral payment made from Southern to NRUCFC, in connection with three member system guarantees, on a \$5,000,000 hybrid credit facility
First Interstate Bank PO Box 5010 Great Falls, MT 59403-5010 Creditor	08/30/2011	Mortgaged property in Cascade County to secure \$600,000 LOC (SME also granted collateral)--305.35 acres of Box Elder Creek Tracts: T20N, R5E, S10: SE/4, S/WHY; Tract 1-Cert. of Survey 4671; Tract 2-Cert of Survey 4671 plus 141.28 acres T20N, R5E, S11, NW (Less Parcel A of Cert. of Survey 4708).
Northwestern Energy 40 East Broadway St. Butte, MT 59701-9343 Creditor	03/15/2011	\$37,440 for 18.72 acres in Cascade County, T20N, R5E, S11: Parcel A of Cert. of Survey S-0004708.
Energy West PO Box 2229 Great Falls, MT 59403 Creditor	09/29/2011	Executed Purchase Option Agreement which grants an option to purchase a 12" diameter natural gas pipeline and facilities in Cascade County, Montana. Option period will run for 10 years and may be executed at any time. Purchase price will be lesser of \$4,905,867.46 or an average of three appraisals. Energy West will pay full purchase price at closing or with installment payments, in the form of credits in connection with the TSA, over 10 years.
Nothwestern Energy 40 East Broadway St. Butte, MT 59701-9394 Creditor	10/14/2010-08/05/2011	Southern Montana advanced all costs necessary for network upgrades associated with the interconnection of Highwood Generating Station. Northwestern Energy will credit back all costs for network upgrades over a period not to exceed twenty years from the commercial operation date. Total Network Upgrades = \$6,549,569.43

- None ☒ b. List all property transferred by the debtor within **ten years** immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

NAME OF TRUST OR OTHER DEVICE	DATE(S) OF TRANSFER(S)	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY
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11. Closed financial accounts

- None ☒ List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF INSTITUTION	TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE	AMOUNT AND DATE OF SALE OR CLOSING
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12. Safe deposit boxes

- None ☒ List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY	NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY	DESCRIPTION OF CONTENTS	DATE OF TRANSFER OR SURRENDER, IF ANY
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13. Setoffs

- None ☒ List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATE OF SETOFF	AMOUNT OF SETOFF
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14. Property held for another person

- None ☐ List all property owned by another person that the debtor holds or controls.

NAME AND ADDRESS OF OWNER	DESCRIPTION AND VALUE OF PROPERTY	LOCATION OF PROPERTY
Members of Southern Montana Various	Member system deposits-\$4,196,484.75	
Co-op Member Systems of SME G&T, Inc.	Basin Electric Power Cooperative Patronage Capital Credits-\$585,364.77	Basin Electric Power Cooperative 1717 E. Interstate Avenue Bismark, ND 58503
5 Member Systems of SME G&T Co-op	Member deposits for CFC collateral payment-\$678,800.00	National Rural Utilities Cooperative Finance Corporation 20701 Cooperative Way Dulles, VA 20166

15. Prior address of debtor

- None ☐ If the debtor has moved within **three years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS

NAME USED

DATES OF OCCUPANCY

16. Spouses and Former Spouses

- None ☐ If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within **eight years** immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

17. Environmental Information.

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law

- None ☐ a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

SITE NAME AND ADDRESS

NAME AND ADDRESS OF
GOVERNMENTAL UNITDATE OF
NOTICEENVIRONMENTAL
LAW

- None ☐ b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

SITE NAME AND ADDRESS

NAME AND ADDRESS OF
GOVERNMENTAL UNITDATE OF
NOTICEENVIRONMENTAL
LAW

- None ☐ c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

NAME AND ADDRESS OF
GOVERNMENTAL UNIT

DOCKET NUMBER

STATUS OR DISPOSITION

18. Nature, location and name of business

None

- ☐ a. If the debtor is an individual, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within **six years** immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

NAME	LAST FOUR DIGITS OF SOCIAL-SECURITY OR OTHER INDIVIDUAL TAXPAYER-I.D. NO. (ITIN)/ COMPLETE EIN	ADDRESS	NATURE OF BUSINESS	BEGINNING AND ENDING DATES
Southern Montana Electric G&T Co-op, Inc	72-1560392	Corporate Office 3521 Gabel Road, Suite 5 Billings, MT 59102	Wholesale electricity and related supply services	2003 to present
Highwood Generating Station	72-1560392	369 Salem Road Great Falls, MT 59405	Wholesale Electricity and Related Supply Services	2003 to present

None

- ☐ b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

NAME

ADDRESS

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

(An individual or joint debtor should complete this portion of the statement **only** if the debtor is or has been in business, as defined above, within six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)

19. Books, records and financial statements

None

- ☐ a. List all bookkeepers and accountants who within **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME AND ADDRESS
Carrie Boysun, Employee
3635 Olympic Blvd.
Billings, MT 59102

DATES SERVICES RENDERED
06/01/2007-Present

Douglas Wilson & Company
PO Box 2845
Great Falls, MT 59403

04/2004-Present

None

- ☐ b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

NAME	ADDRESS	DATES SERVICES RENDERED
Junkermier, Clark, Campanella, Stevens	PO Box 1965 Bozeman, MT 59771-1965	08/2009-Present

None ☒ c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME	ADDRESS
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None ☐ d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by the debtor within **two years** immediately preceding the commencement of this case.

NAME AND ADDRESS	DATE ISSUED
Standard & Poor's 55 Water Street, 38th floor New York, NY 10041-0003	2010 Audited financials
National Rural Co-op Fin. Corp Structured Finance 20701 Cooperative Way Dulles, VA 20166	2010 Audited financials
Prudential Capital Group 2200 Ross Avenue, Suite 4200 E Dallas, TX 75201	Last two years audited financials
Modern Woodman PO Box 2005 Rock Island, IL 61204-2005	Last two years audited financials
First Interstate Bank-Great Falls PO Box 5010 Great Falls, MT 59403-5010	Last two years audited financials
Cargill Power Markets, LLC 9350 Excelsior Blvd. Hopkins, MN 55343	2009 Audited financials
Summers McNea & Co. 80 25th Street West Billings, MT 59102	2010 financial statements
Walker and Associates 7106 University Drive Richmond, VA 23229	2010 Audited financial statements
PPL EnergyPlus, LLC 2 North Ninth St. Allentown, PA 18101-1179	Last two years audited financials
Northwestern Energy 600 Market St. W Huron, SD 57350	Last two years audited financials
TransCanada 450 First Street SW Calgary, AB T2P 5H1 Canada	Last two years audited financials
Cogswell Agency PO Box 2009 Great Falls, MT 59403-2009	Last two years audited financials
JP Morgan Securities, LLC 383 Madison Avenue, 8th Floor New York, NY 10179	Last two years audited financials

NAME AND ADDRESS

DATE ISSUED

Bonneville Power Administration
Transacting and Credit Risk Management
805 NE 11th Avenue
Portland, OR 97232

Last two years audited financials

National Rural Electric Co-op Assn.
Membership and Association Support Services
MEMB-160
4301 Wilson Boulevard
Arlington, VA 22203

Last two years audited financials

Dreyer & Kelso, PC PA
5799 Broadmoor St., Suite 712
Mission, KS 66202

2010 audited financial statements

Edwards, Frickle & Culver
1601 Lewis Avenue, Suite 206
Billings, MT 59102

Last two years audited financials

Iberdrola Canada Energy Services Ltd.
Suite 3250, 450 First Street S.W.
Calgary, AB T2P 5H1
Canada

Last two years audited financials

Federal Rural Electric Ins. Exchange
PO Box 15147
Lenexa, KS 66285-5147

Last two years audited financials

Tenaska Marketing Ventures
1225 17th Street, Suite 3060
Seventeenth Street Plaza
Denver, CO 80202

Last two years audited financials

Energy West Resources
PO Box 1526
Great Falls, MT 59403

Last two years audited financials

Shell Energy North America
Columbus Center, Suite 612
1601 2nd Avenue North
Great Falls, MT 59401

Last two years audited financials

20. Inventories

- None ☐ a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

DATE OF INVENTORY

INVENTORY SUPERVISOR

DOLLAR AMOUNT OF INVENTORY
 (Specify cost, market or other basis)

- None ☐ b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

DATE OF INVENTORY

NAME AND ADDRESSES OF CUSTODIAN OF INVENTORY
 RECORDS

21 . Current Partners, Officers, Directors and Shareholders

- None ☐ a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

NAME AND ADDRESS

NATURE OF INTEREST

PERCENTAGE OF INTEREST

None ☐ b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
William Fitzgerald PO Box 1135 Forsyth, MT 59327	President-Board of Trustees	n/a
Joe Dirkson PO Box 77 Winifred, MT 59489	Secretary/Treasurer-Board of Trustees	n/a
Gerhard Helm 1088 Tongue River Road Miles City, MT 59301	Trustee-Board of Trustees	n/a
Dave Kelsey 1902 Molt-Raplje Rd. Molt, MT 59057	Trustee-Board of Trustees	n/a
Bob Jones City of Great Falls PO Box 5021 Great Falls, MT 59403	Trustee-Board of Trustees	n/a
Beartooth Electric Co-op, Inc. PO Box 1110 Red Lodge, MT 59068-1110	Co-op Member	9.30%-The percentage of ownership is considered using a load ratio calculation, which is based on a three year rolling average of energy (kWh) purchased.
Fergus Electric Co-op, Inc. 84423 US Highway 87 Lewistown, MT 59457-2058	Co-op Member	21.37%-The percentage of ownership is considered using a load ratio calculation, which is based on a three year rolling average of energy (kWh) purchased.
Mid-Yellowstone Electric Co-op, Inc. PO Box 386 Hysham, MT 59038-0386	Co-op Member	3.67%-The percentage of ownership is considered using a load ratio calculation, which is based on a three year rolling average of energy (kWh) purchased.
Tongue River Electric Co-op, Inc. Box 138 Ashland, MT 59003	Co-op Member	11.99%-The percentage of ownership is considered using a load ratio calculation, which is based on a three year rolling average of energy (kWh) purchased.
Yellowstone Valley Electric Co-op, Inc. PO Box 249 Huntley, MT 59037-0249	Co-op Member	32.12%-The percentage of ownership is considered using a load ratio calculation, which is based on a three year rolling average of energy (kWh) purchased.
City of Great Falls PO Box 5021 Great Falls, MT 59403-5021	Co-op Member	21.55%- Due to customer loss, September share was 7.61%-The percentage of ownership is considered using a load ratio calculation, which is based on a three year rolling average of energy (kWh) purchased.

22. Former partners, officers, directors and shareholders

None ☒ a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

NAME	ADDRESS	DATE OF WITHDRAWAL
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None ☐ b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS	TITLE	DATE OF TERMINATION
John Prinkki 22 Taylor Hill Rd. Roberts, MT 59070	Former Trustee-Board of Trustees	09/24/2011
Greg Doyon City of Great Falls PO Box 5021 Great Falls, MT 59403	Former Trustee-Board of Trustees	09/16/2011
Coleen Balzarini City of Great Falls Great Falls, MT 59403	Former Trustee-Board of Trustees	09/17/2010

23. Withdrawals from a partnership or distributions by a corporation

None ☒ If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
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24. Tax Consolidation Group.

None ☒ If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within **six years** immediately preceding the commencement of the case.

NAME OF PARENT CORPORATION	TAXPAYER IDENTIFICATION NUMBER (EIN)
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25. Pension Funds.

None ☐ If the debtor is not an individual, list the name and federal taxpayer-identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within **six years** immediately preceding the commencement of the case.

NAME OF PENSION FUND	TAXPAYER IDENTIFICATION NUMBER (EIN)
401(k) Pension Plan Administered by the National Rural Electric Co-op Assn. Senior Vice President Insurance & Financial Services 4301 Wilson Blvd. Arlington, VA 22203-1860	54-2072724
Retirement Security Plan (Defined benefit pension plan) Administered by the National Rural Electric Co-op Assn. Senior Vice President Insurance & Financial Services 4301 Wilson Blvd. Arlington, VA 22203-1860	54-2072724

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date **November 4, 2011**

Signature **/s/ William C. FitzGerald**
William C. FitzGerald
President

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571

United States Bankruptcy Court
District of Montana

In re **Southern Montana Electric Generation and
Transmission Cooperative, Inc.**

Debtor

Case No. 11-62031

Chapter 11

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
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None

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the President of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date November 4, 2011

Signature /s/ William C. FitzGerald

William C. FitzGerald
President

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C §§ 152 and 3571.

**United States Bankruptcy Court
District of Montana**

In re **Southern Montana Electric Generation and Transmission Cooperative,
Inc.**
Debtor(s)

Case No. **11-62031**
Chapter **11**

VERIFICATION OF CREDITOR MATRIX

I, the President of the corporation named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date: **November 4, 2011**

/s/ William C. FitzGerald
William C. FitzGerald/President
Signer/Title

**United States Bankruptcy Court
District of Montana**

In re **Southern Montana Electric Generation and Transmission Cooperative, Inc.**

Debtor(s)

Case No. **11-62031**

Chapter **11**

CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for **Southern Montana Electric Generation and Transmission Cooperative, Inc.** in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

■ None [*Check if applicable*]

November 4, 2011

Date

/s/ Malcolm H. Goodrich

Malcolm H. Goodrich

Signature of Attorney or Litigant

Counsel for **Southern Montana Electric Generation and Transmission Cooperative, Inc.**

Goodrich Law Firm, PC

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